WHAT HEALTH CARE REFORM MEANS FOR SENIORS

Health Care Reform will reduce health care costs for seniors and strengthen the Medicare program. The bill reduces prescription drug costs and provides free preventative care, while also fighting fraud, abuse, and inefficiencies in the program. Finally, the bill implements innovative delivery system reforms to provide better, coordinated care and extends the solvency of Medicare by 9 years.

Question: *What do these changes mean for me? Will my benefits be harmed?*

The only changes Medicare beneficiaries will see are two significant improvements to the program that seniors have long asked for. First, the bill will cover 100 percent of the cost of preventative care, such as regular check ups, mammograms and other preventive tests. Second, the bill ensures that millions of seniors will save money on their prescription drugs by reducing drug prices in the "donut hole" in the Medicare prescription drug benefit. Also:

- None of the health care reform proposals being considered by Congress would cut Medicare benefits or increase your out-of-pocket costs for Medicare services.
- Health care reform will reduce the cost of preventive services so patients stay healthier.
- Health care reform will begin to close the donut hole- providing a 50% discount on brand name drugs immediately.
- Health care reform will reduce costly, preventable hospital readmissions, saving patients undue harm and Medicare money.
- Health care reform will reduce hospital acquired infections, also protecting seniors.
- The non-partisan Congressional Budget Organization has shown that health care reform will slow the growth of Medicare costs by 1.4 points per year while eliminating the "doughnut" hole. Those cuts would extend the solvency of Medicare for at least nine additional years.

Question: *Why should Medicare savings be used to finance health care for others?*

It is important that health care be financed using dollars that can be found within the system– in other words, reallocating U.S. taxpayer dollars already being spent on health care to achieve more efficiency, higher quality, and broader coverage.

Question: *What will happen to the donut hole?*

Each year, over 10,000 9th district seniors enter the Part D donut hole. Now those beneficiaries will receive a $250 rebate in 2010, 50% discounts on brand name drugs in 2011, and complete closure of the donut hole by 2020.

Question: *What will happen to Medicare Advantage?*

- Under health care reform, efficient Medicare Advantage plans will be rewarded with bonuses, and inefficient programs will have payments reduced to bring them in line with traditional Medicare.
- According to the Medicare Payment Advisory Commission, private Medicare Advantage plans are currently paid, on average, 14 percent more than traditional Medicare providers – and overpayments to certain plans exceed 50 percent.
- These overpayments do not improve care and simply line insurance company profit margins. If you have traditional Medicare, your premiums are higher in order to finance these inefficient plans.
- By eliminating these insurance subsidies, Medicare will save approximately $150 billion over 10 years.

Question: *How does the bill address fraud and abuse?*

- The bill saves Medicare by improving payment accuracy to ensure that the right amount is paid, and expands funding and authority to fight waste, fraud and abuse.
- The legislation strengthens existing compliance and enforcement tools for Medicare, increases funding to support these efforts and creates new, tougher penalties for individuals who submit false claims to Medicare.
- The Congressional Budget Office (CBO) has estimated that for every $1 we invest in fighting waste, fraud, and abuse we will produce $1.75 in savings.

Question: *I was told this bill will result in death panels. Why is the Government getting involved in end of life care?*

There are no death panels. Provisions relating to end of life care allowed Medicare to cover end-of-life consultations and were not death panels. Regardless, these provisions have been removed.